August 13, 2008

Dear Neighbor,

As you may be aware, there has been a considerable amount of discussion regarding the possible closure of Fire House 6 (located on the corner of Cherry and Minnesota Avenues). Fire House 6 has served the Willow Glen community for over 70 years. The Fire House is part of our neighborhood and to see it closed and sold would be a loss that would be irreparable in our local area and for our city.

The purpose of my letter is to share with you what has transpired regarding the discussion of closing/selling Fire House 6 and the possible construction of a new Fire House on park property at the Willows Senior Center on Lincoln Avenue. In an effort to inform you factually and accurately, I am going to start with a bit of history, then to present day status which includes the enclosed memo "City-wide Policy For Relocation/Closure And/Or Selling Fire Stations; Removal of Station 6 From Budget." This memo will be heard by council at the September 9, 2008 evening meeting at 7:00 PM in the Council Chambers at City Hall located at 200 E. Santa Clara Street. I *strongly* encourage you to attend and share your opinions.

History (2000-2007)

In 2000, the San Jose Fire Department (SJFD) presented a Public Safety Strategic Plan to the San Jose City Council. The Strategic Plan was unanimously approved by the council and included the remodeling of existing fire stations, adding new fire stations to meet the needs of San Jose's population growth, a police substation in the southern part of San Jose and the city's overall commitment to increasing public safety response and infrastructure within the City. Please be aware that the new proposed "Fire House 37" was included in this plan; using parkland and selling Fire House 6 was not.

In 2002, the voters of San Jose approved the Public Safety Bond Measure (Measure O) that provided funding for the Public Safety Strategic Plan. The sum of money earned from Measure O was159 million dollars. These bond monies were to carry out the goals outlined in the Strategic Plan. The proposed new Fire Station 37 was suppose to be paid for (in full) with this bond money; however, the city has spent the money and does not have enough to cover the full cost of building the new station or purchasing land.

Unfortunately, building Fire House 37 was not listed as a top tier priority for the bond money. As a result, many other projects went first leaving Fire House 37 to be done last. Also, higher construction costs for materials and labor were not calculated into the bond before it went to the voters. As a result, projects that went first cost more than originally anticipated; therefore, the money that was suppose to be reserved for other projects like Fire Station 37 was spent.

In addition, in September 2007, the San Jose City Council voted to spend 4.2 million dollars on rebuilding Fire Station 2 (2.4 million dollars from Redevelopment because station 2 is in a redevelopment area and 1.8 from the public safety bond) instead of remodeling the station as originally planned.

I felt a remodel would have been sufficient; therefore, I voted against spending millions of dollars because this expenditure did not increase or assist in public safety efforts. I felt the 1.8 should have been set aside to acquire land for Fire House 37.

History 2007-2008

Last year, when I took office, I started meeting with Capital Improvement Program (CIP) team (comprised of city staff) on a monthly basis. This group and I discussed and continue to discuss many different capital projects occurring specifically in District 6. One of the topics was (is) the new proposed Fire Station 37.

At these meetings, city staff shared that they felt Fire House 6 could be closed and sold since the city was going to build a new fire house, currently known as Fire House 37. I disagreed and stated that I do not support selling Fire House 6 to build Fire House 37 although I supported building a new fire house. I was very clear that I wanted Fire House 6 to remain open and for Fire House 37 to be built. In fact, I asked that a STAR CAR (a medical response unit) be placed at station 6. City staff meeting notes state that I was completely against their consideration of selling Fire House 6.

The other subject that was raised regarding Fire House 37 was the lack of funding available from the bond monies to secure land for a location. As a result, they wanted to use parkland at the Willows Senior Center (on Lincoln Avenue). Because of the city's parkland deficit, I do not believe that we should change parkland uses. It is a slippery slope when we start to use parkland for other uses. And, in this case, the city is defaulting to parkland because we spent the 159 million bond monies without saving for Fire House 37.

The San Jose City Charter (Article XVII General Provisions Section 1700 Parks) states that if the city wants to use parkland for any other use than a park, the city needs to seek voter approval by placing the alternative use on the ballot. In addition, when the city wants to use park land for another use they need to have a community meeting before placing the item on the ballot. However, what is important for you to know is if the City of San Jose wants to close and/or sell a fire house, they do not need to alert the community, nor do they need to seek voter approval, only park land falls under this rule.

As a result, earlier this year (2008) city staff shared that they wanted to schedule the mandated meeting for this issue. This meeting was purely for discussion of using parkland for a fire station. Prior to the community meeting, I scheduled an internal meeting with Larry Ames, President of the Willow Glen Neighborhood Association (WGNA), Helen Solinski, former President WGNA and Susan Espinoza, former Disabilities Commission Chairperson (and a Willow Glen resident), the City Managers office and the San Jose Fire Department regarding the community meeting. The possible sale of Fire House 6 at a later date was brought up. After the meeting, the community members and I agreed that we do not support closing Fire House 6 now or in the future.

The community meeting took place on March 27, 2008. At the meeting, the issue of selling Fire House 6 was raised by the community. Senior fire department staff shared that current data shows that if Fire House 6 was closed, fire department service to the area currently being covered by Fire House 6 would suffer. The SJFD also stated that they do not support selling Fire House 6 at this time; but rather, would re-evaluate the data at a later date, if they had to. Additionally, I shared with the community at the meeting that I did not support selling the Fire House now or in the future and that I concur with the SJFD that we need to keep Fire House 6 open.

After the community meeting, my office discovered that the sale of Fire House 6 was already included in the 2007-2008 budget. You can imagine my surprise and dismay that the sale of Fire House 6 was already included in last years budget even though the city managers office knew that the scientific data from the SJFD measurement standards showed that response times for the area currently served by Fire House 6 would suffer.

In addition, there was absolutely no community outreach done regarding the closure of Fire House 6 to let people know what the city of managers' office was doing prior to the 2007-2008 budget, nor was the inclusion of this sale shared at the community meeting.

Let me be very clear, because the city put the sale of Fire House 6 in the 2007-2008 budget, they were completely dependent on selling Fire House 6 to construct Fire House 37 because they needed the money from the sale for construction. The city was short approximately \$800,000 dollars to construct Fire House 37; therefore, they balanced the 2007-2008 budget by including the sale of Fire House 6 at the cost of \$800,000.

Let me illustrate this by way of an example. Let's say that you want to buy a new house, but, in order to have the down payment, you must first sell the house you live in. If you don't sell the house you live in, there is absolutely no way that you can afford to buy a new home; therefore, you are completely dependent on selling your home first, or, at the very least, do both, simultaneously. If you take this example and apply it to the Fire House 6 issue, you can see that because there is a lack of funding to actually build Fire Station 37, the city was completely dependent on selling Fire House 6 first or simultaneously to pay for Fire House 37 to be constructed. Thus, the building of new Fire House 37 was completely dependent on closing and selling Fire House 6.

It appears that the goal was the city would sell the property to receive the money from the sale, but would retain the rights to the property for a period of time until after Fire House 37 was constructed and then the City would actually "close" Fire House 6 allowing the new owners of the property to most likely build some form of residential housing.

I was not told that the sale of Fire House 6 was already included in the budget. In fact the 2007-2008 budget did not state the sale of Fire House 6. Instead, city staff "hid" the sale in the Fire and Conveyance Tax Fund line item which was buried on page 703 section V of the budget. It was impossible for anyone to know that the sale was already included in the budget unless you asked a lot of questions, which I did, or to be told directly, which I wasn't.

In order to remove the sale of Fire House 6 from the 2007-2008 budget, I needed to write a budget request asking that the sale of Fire House 6 be removed from the 2008-2009 budget, which I did. However, the sale was only removed temporarily. Reserve funds will be used to fund the construction needed to build Fire House 37, assuming Measure L passes. The fact that the sale of Fire House 6 was still in the budget to be sold at a later date was not good enough, especially when the current service levels do not meet the SJFD response threshold. Why should the City Managers office decide to close a station when the experts in the field advise against it? I voted against the Mayors budget message for this reason.

Present (August 2008)

It appears that the city managers goal was to "consolidate" Fire House 6 with Fire House 37 in an effort to save the city money in operating and maintenance costs of running a fire station. For example, it costs approximately 2 million dollars each year to keep a fire station open. Money on public safety to ensure that thousands of residents receive public safety services is money well spent. After all, as taxpayers, we pay for public safety. Let's not forget, this is the same city that spends 2.26 million dollars on golf nets and over 20 million dollars on subsidized golf. I think if money needs to be saved then perhaps the city should invest time into cutting subsidized golf; not cutting fire service to the neighborhoods.

At the June 19th City Council meeting, the issue of placing a ballot measure (known as Measure L) which is asking voters to approve using parkland for a new fire house was on the council agenda. Although I shared that I supported a new fire house, I did not support closing Fire Station 6. I also asked the City Attorney if we could add ballot language that would ensure the city would not sell Fire House 6.

The City Attorney told me and the council that asking voters if they wanted to keep Fire House 6 open would not matter because the city charter allows fire stations to be sold without voter approval. As a result, I, along with Vice Mayor Dave Cortese and Councilmember Chu voted against placing this item on the ballot. I specifically voted no because at the time of this discussion, the city did not offer any assurances that they would not close Fire House 6—the 5th busiest 4 person fire house in San Jose—if the ballot measure was to pass.

I was not pleased how city management chose to handle this matter. As a result, I drafted a memo asking those councilmember's that voted "yes" at the June 19th meeting to reconsider their decision so that the issue could be heard one more time and re-voted on.

At the August 5th council meeting, the item was reconsidered which led the way for this issue to receive the thoughtful discussion it deserved and for a revote. Before the vote, I spoke about the discrepancies regarding how this issue was handled by city staff which I have outlined in this letter. Those discrepancies include the fact that I was not told that the sale of house 6 was already in the 2007-2008 budget, that absolutely no documentation suggested the sale of Fire House 6 would be a positive decision for the community and city; in fact, the current data from the fire department shows that the area currently serviced by Fire House 6 would suffer, and that there was absolutely no community outreach regarding the city's quest to sell Fire House 6 prior to including the sale in the 2007-2008 budget.

The community gave heartfelt testimony at the August 5, 2008 meeting by articulating their concerns in a thoughtful manner which made a firm impact on the council. In addition, the community gathered over 500 signatures and created a blog to solicit support to bring awareness to the issue of keeping Fire House 6 open.

At the end of the discussion, Councilmember's Pete Constant and Nora Campos changed their votes from the previous June 19th meeting to "no." Councilmember's Chu, Cortese and I continued to vote no; thus the vote was 6 to 5. Unfortunately, the one vote difference allowed for this issue to be placed on the ballot.

I supported (and support) a new fire station for the area that is currently underserved; I do not support closing and selling Fire House 6 to make it happen. Instead, I would rather the city had made the investment in purchasing the land needed for the new fire station with the 159 million bond money so that the new station would be placed in a more strategic location. On a side note, government agencies often wonder why voters are so reluctant to raise taxes and to not support bond measures. It's not that voters don't support the goal of the bond; it's that voters can't trust the institutions who are suppose to manage the bonds. Quite frankly, especially with what has happened with the 159 million public safety bond money, I don't blame voters.

For example, the city had the opportunity to buy land for the new fire house before they spent the 159 million in bond money. If the city would have bought land (or at least made the attempt to *save* money until they could find land) before they spent all the bond money, the new fire station would be placed in a far better location (thus eliminating the need for the city to use parkland). A good site "would have been" the huge parking lot at Almaden and Foxworthy which *was* for sale.

That location would have been District 9—the area that is currently underserved (in the region of Curtner, Highway 87 and Hillsdale, respectively). The current location being proposed (at the Willows Senior Center) sits outside the service area.

In addition, I have put together a Fire House 6 community group. The first meeting will be Monday, September 8th at the Willows Senior Center from 7:30 PM to 8:30 PM in the multi-purpose room.

Listed below is a timeline of materials that I have spoke to and about during the past few months. I have copies of the items listed on my website at www.sanjoseca.gov/district6.

Timeline 2007

(1) The 2007-2008 Budget includes the sale of Fire House 6 in order to build the new proposed Fire House 37.

The sale of Fire House 6 was "hidden" in the Fire Construction Conveyance Tax Fund in the Public Safety Capital Program on page V- 703. It was not listed as a separate line item stating "Funds from Fire House 6" and the amount nor is the sale of Fire Station 6 listed in the description or justification on the top of this page—and there were absolutely no community meetings prior to this being placed in the 2007-2008 budget.

Timeline 2008

(1) Internal Meeting with Willow Glen Neighborhood Association Representatives

My office had a meeting with city staff and members of the community regarding the use of parkland for Fire House 37. The subject of selling Fire House 6 at a later date to pay for construction costs associated with Fire House 37 was also discussed. The community and I agreed that selling Fire House 6 was a bad idea and did not support it.

(2) Mandated Community Meeting for use of Parkland (Invite)

The City had the mandated community meeting to let residents know that a proposal to use parkland for a fire station would be placed on the ballot. The letter dated March 12, 2008 did not mention anything about the closure of Fire House 6 nor did the letter share the sale of Fire House 6 was already included in the budget. The community also raised questions and concerns about the closing of Fire House 6 for the benefit of Fire Station 37 and made it clear that they did not support closing Fire House 6. There was absolutely no mention from the city that the sale of Fire House 6 was already included in the 2007-2008 budget.

- (3) E-mail indicating that Fire House 6 is included in the 2007-2008 Budget (March)

 My office is sent an e-mail stating that Fire House 6 was already included in the 2007-2008 budget as a way to fund the construction of the proposed Fire House 37.
- (4) My e-mail to the Willow Glen community
 I sent an e-mail to the Willow Glen "e-list" which is an e-mail list of many residents in Willow Glen (I also copied the SJFD on the e-mail) letting residents know that I do not support the closure of Fire House 6.

(5). City of San Jose Budget discussion sessions. (May)

The public safety budget session included an overview of next steps for Fire Station 6 and 37 which indicated that the city was "exploring the possibility of a relocation of Fire Station 6 instead of a new Fire Station 37" I found this misleading to state "explore" when in all honesty, the sale of 6 was already included in the 2006-2007 budget.

(6) Public safety capital program overview. (May/June)

This states that the Willows Community Center site will be used for the construction of Fire Station 37, which is a relocation of Fire Station 6 with augmented staffing. Again, I requested augmented staffing for House 6 not a closure of 6.

(7) Fire Station Construction Lincoln Glen Park Site Ballot Measure (May/June)

On page 2 of this document it states "The augmented sale of the Fire Station No. 6 property is estimated at 800k will augment the funding for the Public Safety Bond Projects, including the construction of Fire Station 37". This verbiage clearly states that the goal at a later date is to sell Fire House 6. It also states that this funding will "include" Fire Station 37 leading me to believe that this funding may have been used for other projects as well.

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(8) Second community letter dated May 13, 2008 letter regarding community meeting

This was sent to the community informing them of what to expect from the new Fire House; however, it does not mention the sale of Fire House 6 or that the sale of Fire House 6 is already included in the 2007-2008 budget or that the construction of Fire House 37 is dependent of selling Fire House 6.

(9) 2008-2009 Budget (June)

I drafted a budget request asking for the removal of the sale of Fire House 6 from the 2008-2009 Budget. The budget was changed to reflect that reserves will be used to fund Fire House 37 but only for the "time being." The budget language allowed the City Managers office to re-visit the sale of Fire House 6 after Fire House 37 is completed.

(10) June 19, 2008 City Council Meeting

City Council votes 7-3 to put the issue of using parkland for the Fire Station 37 on the ballot for November 2008. I along with Councilmember's Chu and Cortese voted against this and instead speak to the need for the city to find a more strategic location so that Fire House 6 will not be considered for sale.

(11) August 5, 2008 My Memo to Council

I drafted a memo asking the City Council to re-consider their vote of allowing parkland to be used for the Fire House 37 and instead direct staff to find another piece of land in a better location. Although the motion failed; two council members changed their votes making the final vote 6-5.

As you can see, this entire process is severely flawed. Arbitrarily closing, selling and consolidating fire stations is an extremely bad way to manage our public safety facilities. The City of San Jose can and needs to do a better job.

As I have already mentioned, On August 14, 2008, Mayor Reed, and Councilmember Chirco and I drafted a memo titled "City-wide Policy for Relocation, /Closure and/or Selling Fire Stations; Removal of Station 6 From Budget." I have enclosed a copy. Removing Fire House 6 completely from the budget and creating a policy for managing our Fire Stations City-wide is very important. I am not sitting back on my laurels and neither should you. We need to make sure this policy is adopted by the council on September 9th at 7:00 PM. *I highly encourage you to attend on September 9th*. Please continue to be informed and a participant in your local government.

In closing, I have to reiterate my dismay for the continuous payments for subsidized golf the City of San Jose spends every year. For a city that has the energy and enthusiasm to find and spend 2.26 million dollars on golf nets and over 20 million dollars on lease bonds (which was not approved by the voters) for subsidized golf for two city owned golf courses—which are paid for out of the General Fund Account—the same account that we fund public safety from, then I think we should be able to find money for a new fire station that was promised to you through the approval of a 159 million dollar bond six years ago.

I hope my letter has been helpful and informative. Please continue to stay updated regarding this issue by visiting my website at www.sanjoseca.gov/district6/.

If you have additional questions or comments please call me at 408-535-4906 or e-mail at pierluigi.oliverio@sanjoseca.gov

Warm regards,

Pierluigi Oliverio, City of San Jose, Councilmember, District 6